



**REGULAR MEETING**

**2:00 PM Thursday, September 10, 2015**

**JCEDF, 3033 Pascagoula Street, Pascagoula, Mississippi**

The Pascagoula Redevelopment Authority met at the Jackson County Economic Development Foundation in a regular meeting on Thursday, September 10, 2015, at 2:00 PM. Henry Fox, Chairman, called the meeting to order at 2:03 PM with the following present:

Chairman, Henry Fox  
Secretary/Treasurer, Alice Walker  
Board Member, Jim Estabrook  
Board Member, Jackie Grimes

PRA Executive Director, Jen Dearman  
Economic Development Specialist, LaLinda Grace  
PRA Attorney, Taylor McNeel  
Baber's Inc., Shannon Strunk

Alan Sudduth, Vice Chairman, was absent.

PRA Chairman Fox welcomed everyone to the meeting.

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The first item for consideration was the minutes from the PRA meetings held on August 13, 2015 and August 31, 2015, as recommended by Alice Walker, Secretary/Treasurer.

After review, Grimes moved to approve and adopt the minutes as amended. The motion was seconded by Walker.

All present Board members were in favor.

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The next item for consideration was the financial report.

After review, Grimes moved to accept the financial report and authorize PRA Comptroller Bobby Parker to issue manual checks for legal services and Anchor Square rent revenue. The motion was seconded by Estabrook.

All present Board members were in favor.

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The next item for consideration was the Anchor Square lease approvals for Ashley Knecht and Canonblue LeBatard. After discussion, Estabrook moved to approve the lease for Canonblue LeBatard and to approve the lease for Ashley Knecht contingent on her honoring the standard operating hours listed in the lease. The motion was seconded by Walker.

All present Board Members were in favor.

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The next item for consideration was the Anchor Square cottage transfer application for Hallie Waldrep. After discussion, Walker moved to approve the transfer. The motion was seconded by Estabrook.

All present Board Members were in favor.

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The next item for consideration was the request from the Anchor Square tenants for a 4'x6' banner and half of the entertainment costs for the Anchor Square Fair on October 3, 2015. After discussion, Walker moved to approve the request not to exceed \$287.50. The motion was seconded by Estabrook.

All present Board Members were in favor.

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The next item for discussion was the PRA election of officers. After discussion, Estabrook moved to approve the existing slate by acclimation for the next year. The motion was seconded by Grimes.

All present Board members were in favor.

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A discussion was held in regards to the 651 Delmas Avenue.  
No action was required of the Board.

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Walker moved to close the meeting to consider going into Executive Session. The motion was seconded by Grimes.

All present Board members were in favor.

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Estabrook moved to go into Executive Session for the transaction of business and discussion regarding the prospective purchase, sale or leasing of lands. The motion was seconded by Walker.

All present Board members were in favor.

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Alan Sudduth joined the meeting at 2:45 PM.  
Shannon Strunk left the meeting at 2:50 PM.  
Jackie Grimes left the meeting at 3:30 PM.

During Executive session, Sudduth moved to authorize Chairman Fox to accept the Riverfront residential development proposal and negotiate the particulars of an agreement. The motion was seconded by Walker.

All present Board members were in favor.

Shannon Strunk joined the meeting at 3:40 PM.

Sudduth moved to end Executive Session and return to open session. The motion was seconded by Walker.

All present Board members were in favor.

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The next item for considerations was the option agreement to purchase real estate for the property located at 3207 Magnolia Street (parcel number 41411016.000) to City Center of Pascagoula, LLC. After discussion, Estabrook moved to ratify the approval of the option agreement as amended. The motion was seconded by Sudduth.

All present Board members were in favor. The option is spread on the minutes as follows:

## OPTION AGREEMENT TO PURCHASE REAL ESTATE

THIS OPTION TO PURCHASE REAL ESTATE (this "Option Agreement") is granted, made and entered into effective as of September ~~10~~<sup>15</sup>, 2015 (the "Effective Date"), by and between **Pascagoula Redevelopment Authority**, an urban renewal agency for the City of Pascagoula authorized by the City Council pursuant to Section 43-35-1 *et seq.* of the Mississippi Code of 1972 (the "Seller") and **City Center of Pascagoula, LLC**, a Mississippi limited liability company (the "Buyer").

WHEREAS, Seller is the owner in fee simple of a certain parcel or tract of land, containing approximately 0.68 acres of land, situated in Jackson County, Mississippi, described by the metes and bounds calls as set forth in the survey attached as Exhibit "A," which is by reference fully incorporated into this Option Agreement, said parcel being located in parts of Lots 14 and 15 of the Valentine Delmas Tract as recorded in Deed Book 2, Page 73, of the land records of Jackson County (the "Property"); and

WHEREAS, Buyer desires to acquire the exclusive right and option to purchase the Property for the price and upon the terms and conditions hereinafter set forth and Seller is able and willing to grant the same.

WHEREAS, Seller has agreed to grant the exclusive right and option to purchase the Property to Buyer.

NOW, THEREFORE, in consideration of the premises, the promises and covenants hereinafter set forth, and the mutual advantages and benefits accruing hereunder, Seller hereby grants, bargains, and extends unto Buyer the exclusive right, privilege and option to purchase the Property (the "Option") for the consideration and subject to the terms and considerations hereinafter set forth:

### TERMS OF THE AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Seller and the Buyer agree as follows:

1. Grant of Option. For the sum of THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00) and other good and valuable consideration between the parties (the "Option Fee"), the sufficiency of which is hereby acknowledged, Seller does grant to Buyer the Option to purchase the Property within the period, at the total price and upon the terms and conditions set forth in this Option Agreement.
2. Term of Option. The Option described in this Option Agreement will commence on the Effective Date and will remain open for eighteen (18) months following the Effective Date (the "Option Term"), said Option Term ending on the same

day of the eighteenth month as the Effective Date. The Option Term may be extended only once by mutual agreement of Seller and Buyer.

3. Exercise of Option by Buyer. Buyer shall have the right to exercise this Option to purchase the Property subject to this Option Agreement by providing written notice of the exercise of the Option to Seller in the manner and at the address as provided in Section 16 of this Option Agreement.
4. Purchase Price of the Property. If the Buyer elects to exercise the Option created by this Option Agreement, the total purchase price for the Property (the "Purchase Price") will be TWENTY-SEVEN THOUSAND EIGHT HUNDRED AND TWENTY-NINE DOLLARS AND NO/100 (\$27,829.00).
  - (a) The Option Fee paid to the Seller shall be applied to the Purchase Price.
  - (b) The Purchase Price shall be paid in cash or other immediately available funds at the time of Closing.
5. Closing. Upon timely and proper exercise of the Option as herein provided, the purchase and sale of the Property shall be consummated (the "Closing") not less than ten (10) days nor more than thirty (30) days following the date of the notice of exercise, upon such date and at such place as Seller may reasonably designate in written notice to Buyer given not less than five (5) business days prior to the Closing date. Possession of the property is to be given with delivery of the deed at Closing.
6. Obligation Following the Exercise of the Option: If the Buyer exercises the Option to purchase the Property pursuant to this Option Agreement, then
  - (a) Seller shall:
    - (i) execute and deliver to Buyer at Closing a special warranty deed ("Deed") in the form reasonably acceptable to Buyer, conveying fee simple title to the Property. The Deed shall be delivered subject to any easements, governmental laws or regulations applicable to the Property and Seller, including, but not limited to, those related to wetlands and to Section 43-35-1 *et seq.* of the Mississippi Code of 1972 governing Seller's status as a public agency created by the City of Pascagoula.
    - (ii) at the Closing, deliver to Buyer and the title company such affidavits, certificates and other documents and information as may be

reasonably requested by the title insurance company and Buyer's counsel to effectuate the Closing of the transaction; and

(iii) at the Closing, execute and deliver a closing statement.

(b) Buyer shall:

(i) pay for the cost of the title search, along with the cost of the mortgagee's title insurance policy and owner's title insurance policy, or survey, if any, at Closing. The title company, attorney and all other closing agents shall be selected by Buyer in its reasonable discretion; and

(ii) pay all costs and fees associated with the inspection of the Property and/or its purchase, including all Closing costs.

(c) Buyer shall provide Seller an opportunity to cure any title any survey objections prior to Closing. In the event that any defect exists which Seller fails to cure or which cannot be reasonably cured by the Closing date, this Option may be mutually extended or terminated by any party.

7. Loan Obligations: Upon exercise of the Option, Buyer warrants that it will have already arranged financing for the Purchase Price, whether it is with the assistance of a lender or not, and that Buyer's failure to obtain financing will not be a contingency of this Option Agreement. Buyer also agrees to: (1) pay any fees necessary to complete full loan processing and approval, if any, and (2) continually and immediately provide requested documentation to lender, if applicable.

8. Representations, Warranties and Additional Covenants. The following are certain additional representations, warranties, promises, and covenants, each of which constitutes consideration relied upon by the parties in entering this Option Agreement:

a. Buyer represents, warrants, and covenants that, by or before December 31, 2017 ("Development Date"), Buyer will invest ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) in development and construction costs ("Construction Costs") for a mixed used development ("Development") adjacent to the Property at 3207 Magnolia Street (also known as the former Hancock Bank building) and have the Development operational. Mixed use development shall consist of commercial and residential space in the Development. For the purpose of this Agreement, Construction

Costs shall not include the Purchase Price or any costs incurred as a result of the site work related to the development, including but not limited to costs for surveying, architectural, or engineering work conducted as part of the Development. Buyer acknowledges and agrees that the Property will be developed, improved, and used: (i) exclusively for and restricted to the uses specified in the "Pascagoula Urban Renewal Property Disposition Plan" that has been adopted by the City of Pascagoula ("City") as part of the Pascagoula Urban Renewal Plan (the "Plan"), a copy of which has been attached to this Agreement as Exhibit B; (ii) in compliance with such other requirements as the City or the Seller shall determine to be in the public interest; and (iii) as a complement and support to the Development. All restrictions stated herein shall be included in the deed conveying Property and shall run with the land.

- b. Buyer agrees that the deed conveying the Property will provide that if, by the Development Date, ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) in Construction Costs are not incurred and the Development, regardless of owner or operator thereof, is not operational, then title to Property will revert to Seller, its successors or assigns. These restrictions and covenants will run with the land and be made part of the deed conveying the Property.
- c. In order to verify the Construction Costs and progress of the Development, Buyer agrees, warrants, and covenants that Buyer will provide or cause its contractor or other agent to provide to Seller immediately upon request or within three (3) days of such documents and materials being submitted to Buyer 's lender or other disbursing agent throughout the development and construction of the Development a full and complete copy of all available information related to progress of the Development and its Construction Costs, including but not limited to invoices, construction disbursement or draw documents, construction administration inspection and verification materials, and third party inspection materials. Buyer also agrees that, upon reasonable notice and request by Seller prior to the Development Date, it will provide a status and progress update of the Development to the Seller in person or, at the discretion of the Seller, in writing. These restrictions and covenants will run with the land and be made part of the deed conveying the Property.
- d. Buyer agrees that it shall be without the power to sell, lease, or otherwise transfer the Property without the prior written consent of Seller until Buyer has completed the Development and construction of

the Development as warranted and covenanted herein. Nothing in this paragraph negates or diminishes the restrictions of use and covenants made as to the components, details, specifications, and representations of the Development made in other parts of this Agreement. These restrictions and covenants will run with the land and be made part of the deed conveying the Property.

- e. The Development Date may be extended by mutual agreement of the parties. This covenant will run with the land and be made part of the deed conveying the Property.

9. Taxes. Ad valorem taxes for the Property for the year in which the Closing occurs shall be prorated as of the Closing date. Prior years' taxes shall be the responsibility of the Seller.

10. Inspection. At any time during the Option Term, and if the Option is exercised, until Closing, Buyer, and its employees, agents and contractors shall be permitted to enter upon the Property for the purpose of performing such tests, studies, inspections, boring tests, surveys and architectural, engineering and other tests and studies as Buyer deems necessary in connection with Buyer's intended use of the Property. Buyer shall indemnify Seller for any damages caused by such inspection work. **IF ANY SUCH INSPECTIONS ARE NOT DONE, THE PROPERTY WILL BE CONVEYED "AS IS".**

11. Survey and Flood Certification: Survey work and Flood Certifications are the best means of identifying boundary lines and/or encroachments and easements or flood zone classifications. Buyer has the option to obtain a Boundary Line Survey and Flood Zone Certification, and Seller makes no warranties to Buyer with regards to these matters.

12. Remedies. In the event Buyer decides not to exercise the Option prior to the end of the Option Term, or Buyer fails or refuses to purchase the Property pursuant to the terms and conditions of this Option Agreement following Buyer's exercise of the Option, then the Option Fee shall be retained by Seller. Should Buyer or Seller fail to comply with the obligations of each in this Option Agreement, or Seller breaches any warranties provided by its special warranty deed to Buyer, Seller or Buyer, as applicable, may pursue such remedies provided by law or equity, including specific performance.

13. Entire Agreement; Amendments. This Option Agreement, and its exhibits, shall constitute the entire agreement between the Seller and the Buyer. This

Option Agreement may not be modified or amended except by written instrument executed by the Seller and the Buyer.

14. Binding Effect. This Option Agreement shall be binding upon and shall inure to the benefit of the Seller and Buyer, and their respective successors and assigns.
15. Assignment. Neither party shall have the right to assign this Option Agreement without the prior written consent of the other party, provided further that Buyer shall not be released from its obligations under this Option Agreement until the end of the Option Term or until the Closing occurs.
16. Notices. Any notices or other communications given or required under this Option Agreement shall be in writing and shall be served either personally or delivered by U.S. mail, first class, postage prepaid, or by FedEx or some other nationally recognized delivery service. Notices shall be deemed received at the earlier of the actual receipt or three (3) days following deposit in the U.S. mail or some other nationally recognized courier service. Notice may also be delivered by email or facsimile, and will be deemed as delivered as of the date of submission of the communication, but only if email or fax confirmation confirms that such communication was, in fact, delivered to the email address or facsimile number listed below.

If to Seller:

Pascagoula Redevelopment Authority  
Attn: Executive Director  
630 Delmas Avenue  
Pascagoula, Mississippi 39568

If to Buyer:

City Center of Pascagoula, LLC  
3436 Main Street  
Moss Point, MS 39563  
Attn: Shannon Strunk  
Telephone: 228-312-0351  
E-mail: shannon@babers.com

17. Broker Commission. Buyer represents that it has not engaged a real estate broker or agent in connection with this transaction. Seller and Buyer acknowledge and agree that any and all real estate commission due to any real estate broker or agent engaged by Seller shall be the responsibility of Seller.

18. Survival Clause: Any provision herein contained, which by its nature and effect, is required to be performed after Closing shall survive the Closing and delivery of the deed and shall remain binding upon the parties to this Option Agreement and shall be fully enforceable thereafter.
19. Governing Law. This Option Agreement shall be governed and construed in accordance with the laws of the state of Mississippi.
20. Terminology: As the context may require in this Option Agreement: (1) the singular shall mean the plural and vice versa, and (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate.
21. Counterparts: This Option Agreement may be executed in counterparts all of which taken together shall be deemed one original. Electronic signatures via PDF shall be effective as original signatures to this Option Agreement.
22. Time is of the Essence. Time is of the essence with respect to all obligations of the Buyer and the Seller contained in this Option Agreement.

*[Signatures appear on the following page.]*

WITNESS THE SIGNATURES of the undersigned parties, effective as of the Effective Date of this Option Agreement.

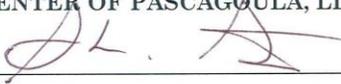
SELLER

PASCAGOULA REDEVELOPMENT AUTHORITY

  
\_\_\_\_\_  
BY: HENRY FOX, CHAIRMAN

BUYER

CITY CENTER OF PASCAGOULA, LLC

BY:  \_\_\_\_\_

ITS: President \_\_\_\_\_

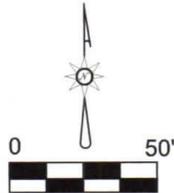


Description: Part of Lots 14-15, Valentine Delmas Tract, Pascagoula, Jackson County, Mississippi, as recorded in Deed Book 2, page 73, Office of Chancery Clerk, Jackson County Courthouse and more particularly described as follows; Beginning at the Northwest corner of Lot 14; thence South 77 degrees East along the south right-of-way of Delmas Avenue 111.56 feet; thence South 11 degrees 44 minutes 59 seconds West 158.94 feet; thence South 13 degrees 14 minutes 24 seconds West 101.09 feet to the north right-of-way of Watts Avenue; thence North 77 degrees West along the north right-of-way of Watts Avenue 116.57 feet to the west line of Lot 14; thence North 13 degrees 26 minutes East along the west line of Lot 14, 260.00 feet to the Point of Beginning, Being the same property described in Deed Book 1523, page 163

This property is located in Flood Zone AE 13 and Zone X according to Flood Insurance Rate Map #28059C 0431 G, Revised March 16, 2009.

Aldred Surveying Co.  
P.O. Box 2201  
Pascagoula, Ms. 39569  
228-762-7374  
A15033

*Lewis Aldred, Jr.*  
Lewis Aldred, Jr. P.L.S.  
February 16, 2015



e/p - edge of pavement  
r/w - right-of-way  
OHP - overhead power line

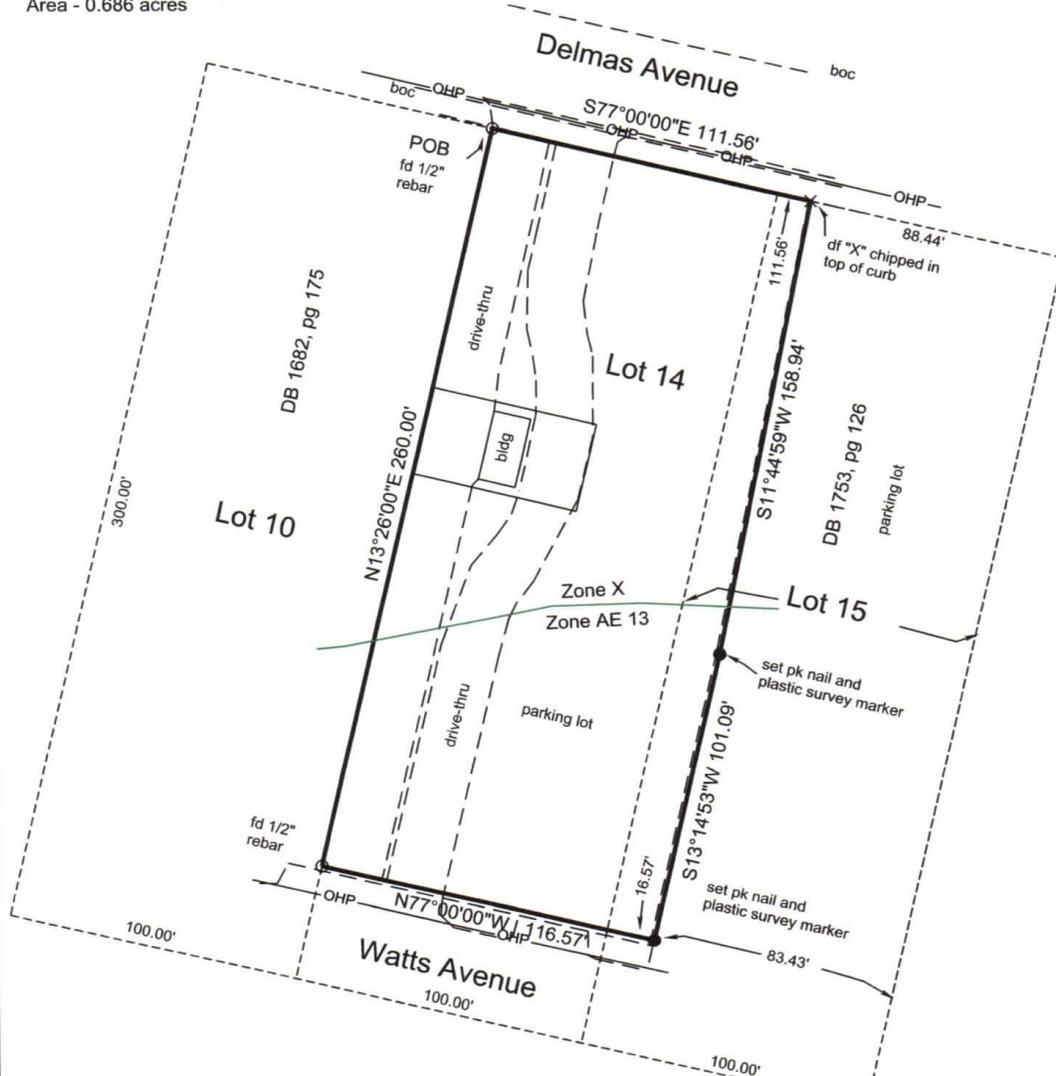
Reference Materials

DB 1523, pg 163

All bearings on this plat are based on the west line of Lot 14.

North  
Class B Survey  
Date of Field Survey  
February 13, 2015

Area - 0.686 acres



There being no further business to come before the Board, Walker moved to adjourn the meeting. The motion was seconded by Sudduth.

All present Board members were in favor.

The meeting ended at 4:04 PM.